MULTINATIONAL CHAIRMAN'S GROUP: STILL LITTLE KNOWN ABOUT IT

By: Joël vd Reijden | **Date:** May 27, 2005 | **Updated:** November 15, 2006 | NGO STUDY CENTER

Lord John Browne, Niall FitzGerald, Sir John Bond, Sir Christopher Hogg, and Martin Broughton.

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Background

Let me start out by saying there's almost nothing known about this group at the time of this writing. I stumbled across it at Bilderberg.org [1], where it was referred to as the Multinational Chairman's Committee. I didn't really pay attention to it at that time. Some months later, I found a group that was referred to as the Multinational Chairman's Group. Information about this group came from two articles, one from the Daily Mail [2], the other from the Guardian. [3] The name has also appeared on at least two government websites [4, 5], although no details were provided in those cases. Very few other references are available and none of them provide any additional information. [6] Still, it is possible to get an idea of the relevance of this group.

Company	HQ
BP	UK
Shell	UK-NL
British American Tobacco	UK
Rio Tinto Zinc	UK
GlaxoSmithKline	UK
Diageo	UK
Vodafone	UK
Unilever	UK-NL
HSBC	UK
Imperial Chemical Industries	UK
Guinness	UK
Reuters	UK

On the left, the reader can find the companies that have been mentioned in the two or three articles published until this point as being members of the Multinational Chairman's Group. After looking at the companies' headquarters it turns out that all of them are located in the United Kingdom, although some of them have originated from Ireland. Two corporations, Shell and Unilever, have joined headquarters with the Netherlands.

What else can we figure out about this group? Well, the members meet in private with the prime minister of England, in this case Tony Blair. According to the article in the Guardian, this group can also arrange

meetings with other members of government they wish to speak to in private.

According to the Bilderberg.org article (if one can call three sentences an "article"), the group has great influence on the Multilateral Agreement on Investments (MAI) [7], which is a more far-reaching agreement than GATS of the World Trade Organization (WTO). The group's influence on MAI is not particularly surprising, because it has already been reported that the related British Invisibles were greatly influencing the WTO through the high and low level LOTIS commissions. [8]

The WWF and Oxfam apparently are two of the organizations the Multinational Chairman's Group is planning to meet with at MAI. They appear to be under the influence, if not control, of the same business interests. The money supply of the WWF is directed by the 1001 Club, a group mainly consisting of friends and business associates of Prince Philip and the late Prince Bernhard. The Windsors also seem to be closely involved with the Oxfam charity, judging by their Windsor Oxfam Campaigns Group. [9]

Another organization the Multinational Chairman's Group is planning to debate with is the anti-corporate World Development Movement (WDM).

At the moment, this is all the information that's available.

Members

Bond, Sir John	Joined HSBC in 1961. He has spent 25 years working in Asia, in Hong Kong, Thailand, Singapore and Indonesia, and 5 years working in the USA. Executive director of HSBC from 1988 to 1992. CEO of HSBC from 1992 to 1998. Chairman since 1998. Director of Ford Motor Company. Former chairman of the Institute of International Finance (Washington). Former director of the London Stock Exchange, Orange plc, British Steel plc and the Court of the Bank of England. Member of the Financial Services Forum. Director of Vodafone since 2005. Director of the World Trade Center Memorial Foundation, together with four former U.S. presidents, Maurice R. Greenberg, Henry R. Kravis (Bohemian Grove), David Rockefeller, Jerry I. Speyer (big Rockefeller guy), John C. Whitehead (photographed standing behind Lord Rothschild and Kissinger; likely Pilgrim),

	Anne M. Tatlock (gone from her WTC on the morning on 9/11), Richard D. Parsons (Sun Valley Meetings), Michael Eisner (Sun Valley Meetings), and Peter G. Peterson(chair Blackstone Group; chair NY Fed; chair CFR).
Broughton, Martin	Former chairman of British American Tobacco plc. Non-executive director of British Airways 2000-2004. Chairman of British Airways since 2004. Chairman of the British Horseracing Board. Member of The European Round Table of Industrialists. Member of the International Advisory Board of the British-American Business Council. When BAT was accused of large-scale cigarette smuggling, Broughton was able to privately meet with prime minister Tony Blair and trade secretary Stephen Byers. This made sure the report on this accusation was dropped.
Browne, Lord John	The Lord Browne of Madingley is Group Chief Executive of British Petroleum (BP) p.l.c. Joined BP in 1966 as a university apprentice. Holds a degree in Physics from Cambridge University and an MS in Business from Stanford University, California. He is a non-executive director of the Intel Corporation, Goldman Sachs, and a trustee of The British Museum. He is a member of the Chairman's Council of DaimlerChrysler. Member of the Supervisory Board of DaimlerChrysler AG from 1998 to 2001 and a non-executive director of SmithKline Beecham from 1996 to 1999. Member of the International Advisory Boards of Freshfields, Bruckhaus Deringer and AIG. Chairman of the International Advisory Board of the School of Economics and Management, Tsinghua University, and Emeritus Chairman of the Advisory Board of the Stanford Graduate School of Business. Chairman of the Judge Institute Advisory board, a Trustee of the Cambridge University Foundation, and a member of the Guild of Cambridge Benefactors. Member of the board of Catalyst, a director of Conservation International, and Chairman of the Center for Environmental Leadership in Business. He is an honorary Trustee of the Chicago Symphony Orchestra, a trustee of the

	Conference Board, Inc., and a Vice President of the Prince of Wales Business Leaders Forum. He is a member (and former Chairman) of the British American Business Inc. In 1999, the Royal Academy of Engineering awarded him the Prince Philip Medal for his outstanding contribution to the field of Engineering. He was knighted in the 1998 Queen's Birthday Honours and made a life peer in 2001.
Hogg, Sir Christopher	Sir Christopher Hogg was born in 1936 and has an MBA from Harvard. Former Chairman of Courtaulds 1980-1996 (CEO 1979-1991). Director of the Bank of England 1992-1996. Director of GlaxoSmithKline since 1993 (SmithKline Beecham back then). Former chairman of Allied Domecq plc. (drinks giant). Chairman of Allied Domecq since April 1996. Member of the International Council of JP Morgan and a Ford Foundation Trustee. Chairman of the Reuters Group until 2004. Chairman of GlaxoSmithKline 2002-2004. Former chairman of the National Theatre board. Governor of the Ditchley Foundations. Member of the Supervisory Board of Air Liquide (the world leader in industrial and medical gases and related services).
FitzGerald, Sir Niall	Joined board of Unilever in 1987. Chairman and CEO of Unilever from 1996 to 2004. Director of Reuters since 2003 and the new chairman since 2004. He replaced co-MCG member Sir Christopher Hogg and Reuters almost doubled the salary of that position (went from £278,000 to £500,000). EU chairman of the TransAtlantic Business Dialogue. Knight of the British Empire. Spoke to Chatham House about the Anglo-American Relations.

Some of the organizations these five men represent:

Bank of England	2
Ditchley Foundations	1
European Round Table	1
Financial Services Forum	1
Institute of International Finance	1
Reuters (chairman)	2
Trans Atlantic Business Dialogue (EU chair)	1

Notes

[1] Bilderberg.org, Multinational Chairman's Committee: *"A UK body made up of...guess what? Group plans to meet with Oxfam/WWF/WDM on MAI at some point. Members include ICI, BP, Shell, BAT, RTZ, Glaxo, Unilever, Guiness, Hong Kong & Shanghai Bank."*

[2] September 3, 2003, Daily Mail, 'It's hard Labour, bosses tell Blair': *"OP industrialists yesterday warned Prime Minister Tony Blair that Britain is becoming a less competitive place to do business. BP chief executive Lord Browne and several chairmen, including Niall FitzGerald of Unilever, Sir John Bond* of HSBC and Sir Christopher Hogg of GlaxoSmithKline, were among leading figures to outline their concerns at Number 10 Downing Street. As part of the discreet Multinational Chairman's Group, they discussed the UK's future as an international business centre. Europe and entry into the single currency - staunchly backed by FitzGerald - were on the agenda. They also took the opportunity to express their unease at the proposed £1.4bn cap on individual pension pots. They fear it will hit their ability to attract top talent. Other criticisms include changes in corporate governance, introduced after the Derek Higgs report, hampering the chairmen's freedoms and diluting their powers. Stealth taxes on business was another bugbear. The chairmen are becoming increasingly fed up with the way business is having to pay for the expansion of the public sector through such changes as the increase in National Insurance premiums. At the same time, roads are congested, public transport is poor and education is faltering. The CBI said: 'It is not one single issue that worries business, it is the drip-drip of measures that has weakened Britain's competitiveness over a period.'"*

[3] Wednesday October 27, 2004, The Guardian, 'Tobacco firm gained secret access to Blair': *"Documents obtained by the Guardian disclose how BAT pressured Tony Blair and a cabinet minister who wanted to hold an inquiry into the firm. Read the documents online: 1, 2, 3, 4, 5, 6, 7 and 8 Rob Evans, David Leigh and Kevin Maguire Wednesday October 27, 2004 The Guardian Documents obtained by the Guardian disclose today how one of the world's biggest tobacco companies, British American Tobacco, was able to put private pressure on Tony Blair and a cabinet minister who wanted to hold an inquiry into allegations that the firm was colluding with criminals. Behind the back of parliament and public, the head of British American Tobacco (BAT), Martin Broughton, obtained access to Mr Blair at a private breakfast, followed by an equally private meeting with the then trade secretary, Stephen Byers. These unpublicised privileges were granted despite the fact that his company stood accused of colluding in cigarette smuggling on an unprecedented scale. Two former senior Department of Trade and Industry (DTI) officials on BAT's payroll were also used to approach their former departmental colleagues. After this behind-the-scenes lobbying, Mr Byers' own plan for an inquiry, which could have published a highly damaging report, was dropped. Instead, MPs were told that a watered-down inquiry would be conducted in secret. Its activities were "buried" for almost four years, after which it emerged that no action was to be taken. BAT was so pleased with the eventual form the inquiry took that their lobbyists described it, in a private note, as "not a*

problem". The Guardian is publishing the documents on its website today. The papers, obtained partly thanks to Whitehall's moves towards freedom of information, and partly from BAT's archives, record how powerful the private influence of large corporations can be. This power is evident today as BAT and other tobacco companies lobby against moves to force them to put graphic photographs, such as smoke-damaged organs and clogged arteries, on their cigarette packets to warn of the dangers of smoking. Four years ago, pressure mounted on Mr Broughton, the £1.4m-a-year chairman of BAT, after this newspaper published documents detailing how the London-based corporation condoned tax evasion in a global effort to boost sales. According to the documents, BAT arranged to supply massive numbers of cigarettes to wholesalers and distributors, expecting that they would find their way into crooked hands and on to the black markets of developing countries after being smuggled across national borders, without duty being paid. Stephen Byers was threatening to set up an inquiry into the world's second biggest tobacco firm and publish the results. Such a report might be highly damaging for BAT, opening the door to lawsuits from foreign governments cheated of taxes and unable to enforce public health standards. In early 2000, BAT's lobbyists tracked sessions of a House of Commons all-party health committee inquiry into smoking, reporting back to the company's Thames-side headquarters that the then health secretary, Alan Milburn, was unsympathetic. "He showed little interest in working with tobacco companies ... suggesting distrust of the companies' motives," warned a lobbyist in February 2000. Another noted: "Milburn had read the serious allegations in the Guardian article and commented that the government abhors this behaviour". Mr Broughton's first reaction was to approach Mr Milburn's colleague, Stephen Byers, privately. "A constructive working relationship," was required, said Mr Broughton, a non-smoker, adding: "I am writing therefore to ask for a meeting with you". BAT, with the former Tory chancellor Ken Clarke on its board, hoped the DTI, in its role as "sponsor" of British industry, might provide a more sympathetic channel than the health department. But Mr Broughton got the cold shoulder. Mr Byers was close to the anti-smoking Alan Milburn, and refused to grant the tobacco chief an audience. A DTI minute stated: "The company has made a number of attempts to meet DTI ministers since the election, but until now all requests have been declined." One of BAT's inhouse lobbyists, Simon Millson, made contact with the official heading the DTI's tobacco desk, Julian Ebsworth: "I tried to pursue the issue on whether we would get a meeting. He said that was for the minister to decide 'given all the other issues' ... I sense some buck-passing going on". In March, Mr Byers signalled that he planned to set up an inquiry under section 432 of the Companies Act, allowing files to be seized, employees to be questioned on oath, and - crucially - permitted Mr Byers to "cause any such report to be ... published". Mr Broughton immediately wrote to Stephen Byers again, on March 9, claiming the smuggling allegations were "highly partisan". His plea was shuffled off to the Treasury, nominally responsible for smuggling issues. A few days later, however, everything changed. Mr Broughton was able to go over Mr Byers' head, as a member of a shadowy group of privileged lobbyists - the "multinational chairman's group", whose members include BP, Shell, the drinks firm Diageo, Unilever, and

Vodafone. Mr Broughton was on the shortlist of those invited to eat bacon and eggs with the prime minister in the Downing Street stateroom overlooking the rose garden. Mr Byers, too, had been summoned to the breakfast table by Mr Blair on March 14. The company chairman seized the opportunity, button-holing the minister who had been avoiding him. After shaking hands in No 10, Mr Byers was left with no alternative but to change his tune. "In the margins of that breakfast briefing," as an official note records, "the secretary of state agreed to [a] meeting". That afternoon, BAT's lobbyists rang the department in triumph: "Mr Broughton has secured a meeting with the secretary of state". Mr Millson later boasted : "It was said we have been very successful in getting the one-to-one meeting with Byers ... There are few companies that have achieved this." "Dear Martin", Mr Byers wrote back, in warmer nomenclature than before. He apologised for the "error" in redirecting his earlier letter. The secretary of state had been pressured into a private meeting with a firm into which he was trying to order an official inquiry. By contrast, ASH, the anti-smoking campaigners, say they asked for a similar meeting with Mr Byers, and were refused. Mr Broughton followed up with intensive lobbying of No 10, sending Mr Blair a long letter demanding that he cut taxes on cigarettes, and hinting that smuggling would continue unabated into Britain if he did not cooperate: "The chosen tax policy contains within it the seeds of its own destruction." In April, he told BAT shareholders at the annual general meeting: "There is really no need for a DTI investigation." Whitehall refuses to release the minutes of the subsequent meeting with Mr Byers. But we obtained BAT's version from their archive, which they have been forced to disclose in settlement of a US lawsuit. Mr Byers, with Julian Ebsworth at his side, appeared to accept that his department's job was to support the tobacco industry "stating the DTI was a sponsor of the arms industry and that, although many did not like it 'we had to deal with it'." Mr Broughton demanded the DTI back BAT in its legal fight against the government of Colombia, which was bringing a lawsuit in the US over the smuggling allegations. BAT's minute claims: "On Colombia litigation, Byers was unequivocal; he will do whatever he can". Afterwards, BAT used its private links to Mr Byers' officials to get some background. Nicola Shears, who had spent eight years at the DTI, was on BAT's payroll. So was Ray Mingay, recent former head of export promotion at the DTI. Both talked to officials on BAT's behalf, according to the documents. Mr Byers himself, according to associates, had no idea that Mr Mingay was now working for BAT. He was shocked when told the former civil servant had been contacting his senior officials behind his back. "Subsequent to the [Byers] meeting," Mr Millson wrote, "Nicola Shears and myself have learned that Byers and the two civil servants present felt the meeting went well. They were impressed with Martin ... who put his points across clearly and succinctly". Significantly, Mr Millson wrote: "It was also recognised that BAT is one of Britain's 'world-class' companies". This is one of the terms repeatedly used by the DTI and by Downing Street to justify explicitly business-friendly policies. The threatened inquiry ran into the sand after that. Friends of Mr Byers say his civil servants tried to persuade him to cancel it, claiming there was insufficient evidence. Mr Byers insisted it go ahead, maintaining he had no alternative when the health committee were calling for an investigation. Yet Mr Byers was persuaded to make a crucial change.

Instead of ordering an inquiry under Section 432, which would have led to a public report, he agreed to use Section 447 of the Companies Act which, crucially for the company, prohibited publication. One of BAT's lobbyists, John Roberts, subsequently emailed a colleague dismissively: "The DTI inquiry is a distraction, not a problem." And so it proved to be. The DTI buried their "inquiry" for an extraordinary length of time - almost four years, during which they released no information whatever, and Mr Byers left the scene. When protests mounted, officials finally announced, under a new trade secretary, Patricia Hewitt, that they had found insufficient evidence for legal action. Campaigners point out that the blanket secrecy guarantees no one can check the genuineness of their work. A spokesman for BAT said lst night: "We have always maintained we acted legally." He denied that the two ex-DTI employees had had "undue influence over the DTI"."

[4] 'Multinational Chairman's Group 521w', Volume Indexes to the House of Commons Parliamentary Debates, no further explanation.
publications.parliament.uk/pa/cm200203/cmindex/410/index-06.htm

[5] 'Multinational Chairman's Group meetings', All that is mentioned on the website of the Department for Productivity, Energy and Industry (It's a request for info)
dti.gov.uk/about/foi/documents/dtifoi-requests-jan-mar2005.pdf

[6] Freedom of Information request from Professor Alasdair S. Roberts:

DCA Ref	Received in C.O.	Reply due at DCA	Information Requested	Date cleared
CabOff111	2/4/05	2/17/05	Minutes of meetings held since 1997 at No 10 with the Prime Minister and a group known as the Multinational Chairman's Group.	

faculty.maxwell.syr.edu/asroberts/foi/UK_CO_HORU/HORU_2005_03.html

[7] UC Irvine School of Biological Sciences, 'Multilateral Agreement on Investments'.
darwin.bio.uci.edu/~sustain/issueguides/MAI/

[8] International Financial Services London (British Invisibles) about LOTIS (Liberalisation Of Trade In Services).
ifsl.org.uk/about/index.html

[9] Greenlink Berkshire (local British environmental group), Windsor Oxfam Campaigns Group: *"The Windsor Oxfam Campaigns Group meets monthly in Windsor Arts Centre. The group's main activities are local campaigning on national and global issues that Oxfam is supporting. Recent campaigns include: banning landmines, the right to education, increasing the government's aid contributions, reducing third world debt and campaigns against conflict. The group is also active in fundraising and has regular events such as a Ceilidh (Scottish dance night) and Carol singing at Christmas. Our campaigns group, which is primarily made up of volunteers, is linked to an Oxfam worker from the regional office. The regional office supports the group's activities and communicates central*

Oxfam policy and activity. We also have close links with the Windsor Oxfam shop, working together on some projects. Our current project is "On the Line - on the river - a child's eye view". The group has been awarded £7,000 by the Millennium Awards Scheme, in conjunction with Oxfam, Channel 4 and WWF, to work with children in eight "On the Line" countries: UK, France, Spain, Togo, Algeria, Burkina Faso, Ghana, Mali. The project will look at the differences and similarities of children who live on the meridian line and record their story and pictures in an exhibition which will then tour round the UK and go onto the internet. This is a really exciting project and a great opportunity to raise awareness for issues that Oxfam are concerned with. If you would like to join our group, please feel free to come along to one of our meetings and see what we do in more detail. We would be pleased to see you."
greenlink-berkshire.org.uk/Windsor_Oxfam.htm